# **2018 Spring SAMM**



#### Welcome!

10:00 – 10:10 Introductory Re	emarks
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### **Introductory Remarks**

Housekeeping information



#### **TEAM MEMBERS**

Jesse Cuzzort is joining us permanently as the Weatherization Analyst. He is undergoing training over the next several weeks.

Andy Hoff is the Policy and Technical Specialist. He will assist with questions from the network, some monitoring, review of monitoring outcomes, and T&TA for the network. He will be the state contact for training and works on the State Plan.

Andy is out on family leave for the next four weeks and has very limited availability. Please forward emails to Lauren, who will coordinate getting answers.



#### THE MANUAL: WHEN YOU WILL RECEIVE IT

The manual will be sent out over the next few business days, and the appendices are just being finished up.

We took the appendices out of the manual, so those will be available on IHCDA's website as separate documents in a folder.

If you have questions about the manual or appendices, please contact Lauren.



- LIHEAP Wx can go up to 200% of poverty guidelines now
- Poverty guidelines are updated once annually, on October 1<sup>st</sup>
- Client appeals now go to Lauren after the client has formally appealed to the local agency
- Remember to follow Section 105 to ensure client privacy in things like energy analysis studies and utility rebate programs



- Client applications are valid for one year from the date of the <u>approved</u> application
- Agencies can find the approval date in CAP60
- If the application expires before you're done with the work, put the new application in IWAP
- We are collecting income for three months now, not twelve. The Zero Income
   Affidavit must be used to verify zero income for each household member,
   age 18 and over, who claims no income for the 3 months prior to the
   application date.
- Agencies are allowed to develop their own Weatherization applications, but this is not mandatory. If you do have one, your agency is required to send it to IHCDA for review.

- Subgrantees must perform NEAT or MHEA audits on at least 10% of all DOE completed homes within each grant cycle, and under the following criteria:
  - If housing stock fails to meet the model of the priority list
  - When an auditor is unsure how to prioritize measures based on budget
  - To cost justify furnace replacements or other measures for energy efficiency
  - As required by DOE, IHCDA, or both
- Subgrantees will be required to make copies of their NEAT databases and upload the libraries to Syncplicity to allow for review by IHCDA, INCAA, and the Technical Monitor to ensure:
  - Libraries are accurate and up-to-date
  - Audits are accurate
  - 10% of all completions have a NEAT or MHEA audit associated with it

(Note: Not all NEAT/MHEA audits in the database need to have been utilized on weatherized homes, as we recognize that LIHEAP / non-DOE funds may have been used instead)

 During PY2018-19, IHCDA will work with INCAA to provide regularly updated fuel pricing to ensure that accurate NEAT and MHEA audits are being performed, and costs are justified.



- An <u>Alternate Completion</u> is now called a **Provisional Closeout** because alternate completion was really a misnomer. Just like before, provisional closeouts can't be counted as completions; the cost must be spread throughout the ACPU.
  - Agencies still need to submit a request to Andy for a provisional closeout
- Interim inspections may be performed by a properly trained Energy Auditor,
   Quality Control Inspector, or by Retrofit Installer Mechanical.



New client prioritization policy, Section 301

Once eligibility has been determined, the Subgrantee must follow its client priority policy. Each Subgrantee will develop written procedures by which it assigns priority eligible households. In accordance with 10 CFR 440.16, priority must be given in identifying and providing weatherization assistance to households where one or more of the following exist:

- 1. High energy usage
- 2. High energy burden
- 2. Elderly household member(s) (60 years or over)
- 3. Disabled household member(s)
- 4. Household member(s) under the age of 18



Households who do not meet at least one of the priority categories may only be served if all eligible priority households in the Service Provider's territory have been served. Within the above listed priority, Subgrantees may choose the order in which households are served. Priority systems must be applied equally to both renter and owner occupied dwellings and applied equitably to all areas of the Subgrantee's territory.

Subgrantees may choose to consider using the oldest application approval date for positioning applicants with priority points. An application with at least one priority point may be moved up on the list when working in the same area to save travel time.

Agencies that choose to develop their own methods for prioritizing clients must still adhere to federal regulation 10 CFR 440.16(b), develop written procedures, and seek approval of the methodology from IHCDA.



- INCAA and IHCDA will work together in PY2018-19 to gather and/or develop additional energy education materials.
- Health and Safety updates will be discussed this afternoon.



Section 303.2.3 discusses asbestos

Workers must recognize materials that may contain asbestos and avoid disturbing them. Subgrantees must not perform a blower door depressurization test in a building where friable asbestos or vermiculite are present. Unless the suspect material has tested negative for asbestos, a blower door pressurization test must be performed, and must be documented in the client file.

- When suspected asbestos containing materials are present, assume that asbestos is present unless testing has determined otherwise.
- Sample collection and testing must be done by a certified asbestos control professional.
- Baseline environmental asbestos sampling is an allowable H&S cost.
- If the Subgrantee has deferred a home which then results in the owner removing asbestos
  containing materials, it is required that the proper documentation be provided to the
  Subgrantee prior to allowing weatherization services to move forward.



Section 303.2.3 discusses asbestos

#### Client Education:

Inform the client in writing that suspected ACMs are present and what precautions will be taken to ensure the occupants' and workers' safety during weatherization. Formally notify client in writing of results if testing was performed.

#### Asbestos in Vermiculite:

- When vermiculite is present, assume it contains asbestos unless testing determines otherwise.
- Do not perform a blower door test if it will disturb the vermiculite.
- Use proper respiratory protection while in areas containing vermiculite.
- Encapsulation by an appropriately trained asbestos control professional is allowed.
- Baseline environmental asbestos sampling is an allowable H&S cost.
- Removal is not allowed using DOE funds.

When deferral is necessary due to asbestos, occupant must provide documentation that a certified professional performed the remediation before work continues.



#### 303.2.17 Mold and Moisture

Limited water damage repairs that can be addressed by weatherization workers are allowed when necessary in order to weatherize the home. Source control (i.e. correction of moisture and mold creating conditions) is allowed when necessary in order to weatherize the home and to ensure the long-term stability and durability of the measures. Source control is independent of latent damage and related repairs. Where severe Mold and Moisture issues cannot be addressed, deferral is required.

These costs may be paid for using non-DOE funds, including State LIHEAP or utility funds. Surface preparation where weatherization measures are being installed (e.g., cleaning mold off window trim in order to apply caulk) must be charged as part of the ECM, not to the H&S budget category.



303.2.18 Occupant Preexisting or Potential Health Conditions

Intake staff will screen occupants to reveal known or suspected health concerns as part of initial application for weatherization. Knowledge about suspected health concerns should be shared with weatherization staff and contractors, and continue throughout the weatherization process. Auditors will additionally screen the occupants to reveal known or suspected health concerns as part of the initial audit whenever possible.



#### 303.2.21 Radon

Agencies must provide a copy of the *Radon Informed Consent Form* to clients in homes where radon may be present. Clients must sign the Radon Informed Consent Form prior to receiving weatherization services, and must be kept in the client file.

In homes where radon may be present, the work scope should include precautionary measures based on EPA Healthy Indoor Environment Protocols for Home Energy Upgrades, to reduce the possibility of making radon issues worse. Subgrantees must provide a copy of EPA's <u>A Citizen's Guide to Radon</u> (<a href="https://www.epa.gov/radon/citizens-guide-radon-guide-protecting-yourself-and-your-family-radon">https://www.epa.gov/radon/citizens-guide-radon-guide-protecting-yourself-and-your-family-radon</a>) to all clients, and inform them of radon-related risks.



 Secton 303.2.21 Safety Devices: Smoke and Carbon Monoxide Alarms, Fire Extinguishers

The installation of smoke and carbon monoxide alarms is an allowable expense with DOE and LIHEAP funds where alarms are not present or inoperable. Install one smoke alarm in each dwelling on each floor in all dwellings that don't have existing functional alarms, and all weatherized dwellings or weatherized apartments must contain at least one CO alarm. Where solid fuel burning equipment is present, fire extinguishers may be provided as an allowable H&S measure.



#### 303.2.24 Space Heaters - Unvented Combustion

Unsafe secondary units, including space heaters, must be repaired, removed or rendered inoperable, or deferral is required. Following WPN 17-7, secondary unvented units that conform to the safety standards of ANSI Z21.11.2 may remain as back-up heat sources. DOE is allowing this flexibility primarily to provide low income clients an emergency back-up source of heat in the event of electrical power outages. When selecting items to leave behind, give preference to code-compliant units that do not require electricity. Unvented space heaters remaining in the home must meet all the requirements as outlined in the Unvented Gas Space Heater Inspection Form. This form must be completed and placed in the client file where either an unvented space heater was removed or remains in the home.

- Unvented secondary space heaters are not allowable for installation in bedrooms or bathrooms, and must be removed.
- Unvented secondary space heaters must be removed from mobile homes before weatherization can proceed.



#### 303.2.27 Ventilation

Auditors will provide clients with information on function, use, and maintenance (including location of service switch and cleaning instructions) of ventilation systems and components installed. Auditors must provide client with equipment manuals for installed equipment. Include disclaimer that ASHRAE 62.2 - 2016 does not account for high polluting sources, or guarantee indoor air quality.

Indiana will continue using the ASHRAE 62.2 – 2016 standard until such time that DOE requires new standards to be followed.



#### **307 Refrigerator/DSM Programs**

- Refrigerator replacement is an allowable DOE and LIHEAP cost. Indiana requires comprehensive metering of the existing unit, and a NEAT or MHEA audit must be performed. Subgrantees must follow these requirements when replacing refrigerators:
- The new unit must fit the existing space.
- The new unit must be 40% more efficient than the minimum federal standards, or be labeled ENERGY STAR.
- The new unit must have a minimum one-year warranty.
- Take refrigerators that are replaced to a facility that is licensed to reclaim their refrigerant and recycle the refrigerator's parts.
- No refrigerator, taken out of service, may be returned to service by sale, barter, or for free.
- Instruct the client about location and operation of energy controls such as the thermostats for the refrigerator and freezer.



#### **Warranties**

In accordance with SWS 2.0702.1a, Subgrantees must provide a one-year warranty for materials, workmanship, and serviceability provided to occupants upon completion of work.

Subgrantees must ensure occupants are aware of the warranty and maintenance agreement options from the manufacturer, and should, at a minimum, address the following possible concerns and warnings within the warranty, as applicable to the work being warrantied:

- Possible drying and shrinking effects
- Storage of hazardous and flammable materials
- Mold



#### **Warranties (continued)**

Any defects caused by improperly performed Weatherization measures found within the warranty period shall be remedied without charge and within a reasonable period of time. If there are questions or disagreements regarding whether a defect was caused by improperly performed Weatherization measures, the Subgrantee is advised to request assistance from a neutral third party which could include a third party QCI who did not perform the final inspection, IHCDA State staff or contracted monitors, or INCAA staff. Any defects found outside the warranty period are the sole responsibility of the client.

This warranty should not be considered to cover equipment failure caused by failure to perform normal maintenance, abuse or external causes beyond the control of the Subgrantee or their contractors.



#### 309 Lead-Safe Work Practices

Per WPN 17-7, all Subgrantees must comply with the following guidelines:

- Subgrantees must follow EPA's Lead; Renovation, Repair and Painting Program (RRP) when working in pre-1978 housing, unless testing confirms the work area to be lead free.
- Deferral is required when the extent and condition of lead-based paint in the house would potentially create further H&S hazards.
- Only those costs directly associated with the testing and lead safe practices for surfaces directly disturbed during weatherization activities are allowable.
- Documentation in the client file must include Certified Renovator certification; any training provided on-site; description of specific actions taken; lead testing and assessment documentation; and photos of site and containment set up. Include the location of photos referenced if not in the file.



#### (Lead-Safe Work Practices, Continued)

- Testing to determine the presence of lead in paint that will be disturbed by WAP measure installation is allowed with EPA-approved testing methods, and methods must be economically feasible and justified.
- Job site set up and cleaning verification by a Certified Renovator is required.
- IHCDA will verify that crews are using lead safe work practices during monitoring.

Following WPN 17-7, Grantee Monitors and Inspectors must be Certified Renovators.



#### **502.1 Federal Allocation**

When available, a 15% average energy savings as determined by PRISM/BEACon analysis of local Subgrantee production.

- For Program Year 2018-2019, the incentive pool will not be utilized, because energy savings data has not been made available as of the publish date of this manual.
- Effective April 1, 2019, the savings benchmark for consideration for inclusion in the incentive pool will increase to 20%.



#### 507 Utility Programs

Only measures paid for with LIHEAP and State LIHEAP funds are eligible for utility rebates. Measures paid for with DOE funds are not eligible to be submitted for rebates.

#### 601 Training

Subgrantees can find Indiana's newly updated SWS-aligned Field Guide, Health and Safety Plan guidance, and 2018 State Plan at <a href="https://www.in.gov/myihcda/weatherization.htm">https://www.in.gov/myihcda/weatherization.htm</a>. INCAA will be providing training in PY2018-19 on all guidance.

IHCDA is reviewing current CEU requirements and may issue additional guidance to Subgrantees during PY 2018-2019.



- DOE will likely require auditors to be BPI Energy Auditor certified beginning in 2019. Until this requirement is released, auditors will only be required to obtain their Indiana Skills Verification (ISV) to perform audits as we have been, but are strongly encouraged to obtain their BPI EA as they feel comfortable and prepared enough to do so.
- IHCDA will continue testing for DOE's National Energy Auditor Certification and Quality Control Inspector during the DOE funding cycle of April 1, 2018 – March 31, 2019.



Effective April 1, 2018, IHCDA will allow two options for meeting the Quality Control Inspection requirement. Subgrantees must apply to IHCDA in order to be able to utilize the Energy Auditor as the QCI option, and must indicate their intended method to IHCDA for consideration. Subgrantees that do not submit a plan to IHCDA will be required to utilize an Independent QCI.



#### **Independent QCI**

Per WPN 15-4, the Independent QCI is an individual that has no involvement in the prior work on the home either as the auditor or as a member of the crew. IHCDA will monitor at least 5% of all completed units.

- Separation of duties between the Energy Auditor and QCI must be clearly defined – and not crossed.
- Weatherization Program Managers are NOT a good fit to be a QCI for the program they manage.
- The QCI must take every precaution necessary to not become involved in the decision making process regarding the work being performed at the home.
- All additional work or needed re-work should be brought to the attention of the WX Program Manager or Energy Auditor and not handled directly by the QCI.
- Crew Leaders should seek guidance on performing work from the WX Program Manager or Energy Auditor.



#### **Energy Auditor / QCI**

A. The auditor performs the audit, creates the work order, and performs the final quality control inspection. The auditor is not involved in any of the actual work on the home. Because this model does not allow for an independent review of the audit on every home, IHCDA is required to increase the percentage of quality assurance reviews to ensure that audits are being performed consistently and correctly. IHCDA will monitor a minimum of 10% of DOE completions.

B. Inspectors shall not participate in professional activities involving a conflict of interest. A conflict of interest occurs when an inspector is inappropriately motivated by any financial, personal, or professional incentive other than the production of a professional report that clearly, completely, and usefully reflects the conditions observed during the audit. Inspectors shall avoid, whenever possible, even the appearance of a conflict of interest and shall disclose all potentially questionable associations and relationships in advance to IHCDA with a legitimate right to be informed of them.



#### **Energy Auditor / QCI**

C. Inspectors shall not inspect work performed by organizations under arrangements whereby any compensation or future referrals to the inspector depend on or are influenced by the findings of the report. Compensation includes direct and indirect remuneration as well as substantial gifts and favors. Inspectors shall not accept any form of compensation for recommending products or services to clients or other parties having an interest in the inspected work.

- D. Additional documentation may be required by IHCDA if necessary, including:
- Documentation of the independent status of the Quality Control Inspector
- Documentation outlining any involvement of the QCI in the audit process



#### **Energy Auditor / QCI**

E. Quality control inspections are subject to IHCDA assessment of effectiveness and compliance with program inspection policies and monitoring will include documentation of any findings related to the quality of the inspection and impartiality of the inspection process.

F. IHCDA will maintain tracking of all subgrantee QCI activities to include all aspects of the subgrantee developed QCI process, subsequent corrective actions, and final outcomes.



#### **Energy Auditor / QCI**

G. If QCIs are found to be out of compliance, remedial training may be required for the QCI, the installation contractor, and/or Subgrantee staff. Limited remedial training may be provided by IHCDA staff onsite at the time of the monitoring, or more extensively through the training facility at INCAA if necessary. Alternatively, IHCDA staff may provide more comprehensive training at a later date. Repeated noncompliance issues after remedial training may result in the agency being placed on QIP, or a reduction in funding. All compliance issues found with QCIs are subject to IHCDA review, and may result in the QCI not allowed to perform inspections for Indiana WAP.



#### **Energy Auditor / QCI**

H. Subgrantees may not be considered if one or more of the following program deficiencies are identified:

- General Administrative Deficiencies that include late interim or closeout reports, late completion reporting (data entry), lack of procurement policies, outdated cost allocation plans
- Fiscal Reporting issues that include failure to claim expenses on a monthly basis, repeated occurrences where expenses are submitted more than 45 days after the invoice or purchase order date, contractors paid beyond the 45 day requirement
- Staff or contractors fail to receive proper certifications
- Average cost per home exceeds cost guidelines set forth by DOE or HHS (LIHEAP) funding
- High risk outcome on the Risk Assessment



Failure by the Subgrantee to utilize the QCI process correctly may result in the associated completion(s) being considered unallowable, and all associated cost being returned to IHCDA. Should multiple instances of poorly performed inspections be found, IHCDA will, at the very minimum, place the Subgrantee on a Quality Improvement Plan (QIP).



#### **Training Stipend**

- IHCDA will continue to allow the training stipend. This stipend was intended to be used for contractors, but can be utilized to cover the cost of staff to attend training. Subgrantees can claim most related expenses, except for food. Please see Section 613 for the complete policy.
- We recommend installing a retention agreement or some other mechanism for ensuring the contractor has a longer-term relationship with the Subgrantee after receiving the training and related stipend.



#### **Monitoring**

In program year 2018-2019, an in-house fiscal monitor will provide fiscal monitoring, and a contracted monitor will conduct the majority of the technical monitoring, file monitoring, and program monitoring.

IHCDA will review reports before they are distributed to Subgrantees. IHCDA will perform real-time Program Monitoring for each Weatherization Subgrantee at least once a year. The program monitoring includes a review of Program Administration, Procurement, Training, Competency & Certification, Database Input, Fiscal Information, Client File Review and Field Inspections.

At least 10% of completed DOE client files will be reviewed. Each area of the Program Review is explained in more detail below.



#### **Monitoring (continued)**

 A minimum of 5% of all DOE completed homes will be monitored for those Subgrantees utilizing an Independent QCI, and a minimum of 10% of all DOE completed homes will be monitored for those Subgrantees with an Energy Auditor/QCI.

#### 706 Monitoring Appeals Procedure

When a Weatherization subgrantee wishes to appeal a monitoring finding or concern, the subgrantee, within fifteen (15) working days of receiving the monitoring report, must provide a written appeal to the IHCDA Director of Community Programs detailing the reason(s) for the subgrantee's objection to the decision, and documentation of the issue. This appeal should be in the form of a signed letter on agency letterhead. The Director of Community Programs will respond in writing to the subgrantee within fifteen (15) working days. Once the Director of Community Programs has responded, the decision will be final.



#### 707 Return of Funds in Monitoring

A return of funds transaction is initiated when paid grant funds need to be returned due to a monitoring or financial audit issue. A return of funds must be paid out of private agency funds. These funds will show on the claim summary but will not be returned to the Subgrantee's available budget. The state will reuse these funds in future allocations.



#### 707 Return of Funds in Monitoring (continued)

Some examples of disallowed costs might include, but are not limited to:

- Exceeding 20% of total expended funds on Health & Safety measures
- Exceeding the current average cost per home
- Interest expenses paid with DOE funds
- Rework expenses except when specifically authorized by IHCDA
- Disallowed equipment and vehicle purchases with DOE funds
- Any measure not cost justified
- Any repair that exceeds the incidental repair measure limit for materials and labor
- Expenditures incurred for the installation of measures on a completed unit outside of the client's eligibility period
- Expenditures incurred for the installation of measures on a completed unit outside the contract period
- If IHCDA cannot determine an expenditure is allowable because of inadequate records or documentation, IHCDA will request additional documentation. If documentation cannot be produced, the costs will be disallowed.



#### 707 Return of Funds in Monitoring (continued)

Subgrantees are required to correct any deficient work identified by the Quality Control Inspector before the work is submitted for reimbursement. As a result of technical monitoring inspections, Subgrantees with incomplete work and workmanship issues will be allowed to rectify the problem before disallowances are levied. Subgrantees will be asked to reverse or repay costs that are determined to be unallowable. If questioned costs are significant, an investigation may be performed, and the Subgrantee may be subject to additional review.

When deficiencies are identified, Subgrantees may be required to submit a corrective action plan within 30 days of receipt of the Technical Monitoring Report. The submission must include a description of the corrective actions to be taken as well as a timeline for implementation of those actions. The Corrective Action Plan will be submitted to IHCDA's Director of Community Programs for review and approval.

#### 810.1 EAP Data Access Policy

- If your agency has any service territory change, you should be given automatic read-only access to the new territory. If that doesn't happen, contact IHCDA.
- The agency providing EAP must ensure that all documents are uploaded to the EAP database and are accurate within 60 days of completion of EAP app.
- If the weatherization agency needs the files sooner, please notify IHCDA.
- IHCDA strongly recommends that the weatherization QA the EAP files.
- Any errors found should be referred to IHCDA for follow-up.



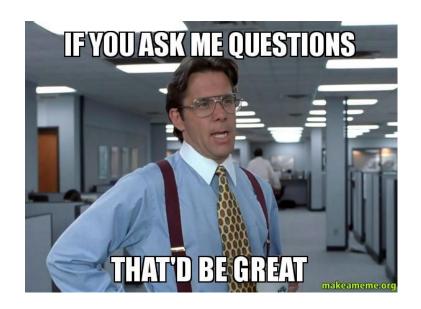
#### 810.2 Wait List

Currently, Weatherization subgrantees will manually create a new client file in IWAP with information taken from the client's application in the EAP database. Subgrantees will be responsible for building their own wait lists using the prioritization policy outlined in Section 301.



## Policy and Procedures Manual Q & A

11:45-12:00





### **LUNCH TIME!**





## **Appendices**

1:00 - 2:00

Time to have a look at the appendices and ask questions if you have any!

Give me a moment while I open the folder. ©



### **CLIENT CONSENT FORM**

We will be making some further edits to the Client Consent Form because this year we have been contacted several times by clients wanting to discuss warranty-related issues.

Let's talk about that for a few minutes to see if the network has suggestions.



## **BREAK**

2:00 - 2:15





## **Open/Small Group Discussion**

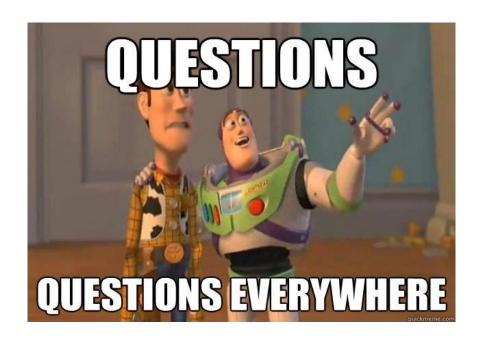
2:15 - 3:30

- Open discussion
- Are there challenges or successes you would like to share with fellow network members?
- Do you have policy suggestions for next year you'd like the Wx Team to explore during this program year?
- General questions you'd like answered?
- Is there a neighbor you've been wanting to talk to for a while and would like to use this time to do that?



### Q & A or Consultation with Lauren

3:30 - 4:00





# **Closing Time**

See you tomorrow, we'll start at 9:00 a.m.





### **WELCOME BACK!**

9:10 - 10:00 Utility Rebate Programs

**Discussions** 

-Or- Consultations with Colleen, Tom, or

ihcda OO®

**Indiana Housing & Community Development Authority** 

Lauren as needed

### **UTILITY REBATE PROGRAM**

Lorrie Maggio from Duke 9:10 – 10:00



### **MONITORING LESSONS LEARNED**

Colleen Hutson of Hutson Homes LLC 10:00 – 11:30



## **MONITORING Q&A**

11:30 - 12:00



## **LUNCH TIME!**

12:00 - 1:00





### **PY2018-2019 TRAINING**

Tom from INCAA 1:00 – 2:00



### PROBLEM SOLVING / SMALL GROUP

Topics TBD 2:00 – 3:00



## FINAL Q&A, OPEN DISCUSSION

3:00 - 3:30



### **CLOSING –OR- CONSULTATIONS**

3:30 - 4:30

Time to go home! Or meet with Colleen, Tom, Andy, or Lauren if needed.

